

**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF MISSOURI**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Case no. 1:12-cv-99
)	
DANIEL K. STEELE, JUDY D. STEELE,)	
US BANK, N.A., JANICE GREIG, DANIEL)	
POWELL, ADT SECURITY SERVICES, INC.,)	
INTEGRITY ENGINEERING, INC.,)	
MISSOURI DEPARTMENT OF REVENUE,)	
PHELPS COUNTY, and ROBERT B. STOLTZ,)	
)	
Defendants.)	

COMPLAINT

Plaintiff, the United States, brings this civil action to reduce to judgment certain unpaid federal tax assessments made against Daniel K. Steele and Daniel K. Steele d/b/a Heartland Security Systems, LLC (“Heartland”) and to foreclose federal tax liens on real property described in this complaint.

JURISDICTION AND VENUE

1. Under 26 U.S.C. § 7401 and 7403, this action to reduce to judgment the tax assessments made against Daniel K. Steele has been requested and authorized by the Chief Counsel of the Internal Revenue Service (a delegate of the Secretary of the Treasury) and is brought at the direction of a delegate of the Attorney General of the United States.

2. The Court has jurisdiction over this case under 28 U.S.C. §§ 1331, 1340, and 1345, and 26 U.S.C. §§ 7402 and 7403.

3. Venue is proper in the Eastern District of Missouri under 28 U.S.C. § 1391(b).

4. Defendant Daniel K. Steele is a resident of Rolla, Missouri within this jurisdiction.
5. Judy Steele is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because she may claim an interest in the real property at issue in this case.
6. US Bank, N.A., is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because it may claim an interest in the real property at issue in this case.
7. Janice Greig is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because she may claim an interest in the real property at issue in this case.
8. Daniel Lee Powell is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because he may claim an interest in the real property at issue in this case.
9. ADT Security Services, Inc., is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because it may claim an interest in the real property at issue in this case.
10. Integrity Engineering, Inc., is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because it may claim an interest in the real property at issue in this case.
11. Missouri Department of Revenue is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because it may claim an interest in the real property at issue in this case.
12. Robert E. Stoltz is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because he may claim an interest in the real property at issue in this case.
13. Phelps County, Missouri, is named as a defendant in this civil action pursuant to 26 U.S.C. § 7403(b), because it may claim an interest in the real property at issue in this case.

COUNT I: Daniel K. Steele's Federal Income Tax Liabilities

14. For the taxable years, and in the amounts set forth below, a delegate of the Secretary of the Treasury timely made assessments against Daniel K. Steele, for federal income taxes and related statutory additions:

<u>Tax Year</u>	<u>Dates of Assessment</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
2001	Assessment date: 8/8/2005 Tax: \$9,490.00 Late Filing Penalty: \$1,819.57 Failure to Pay Penalty: \$721.80 Interest: \$1,822.89 Assessment date: 12/1/2008 Failure to Pay Penalty: \$1,299.94	\$19,610.31
2004	Assessment Date: 9/7/2009 Tax: \$3,760.00 Late Filing Penalty: \$846.00 Failure to Pay Penalty: \$940.00 Interest: \$1,516.31	\$7,826.08
2005	Assessment Date: 9/14/2009 Tax: \$2,314.00 Late Filing Penalty: \$520.65 Failure to Pay Penalty: \$474.37 Interest: \$692.62 Assessment Date: 11/7/2011 Failure to Pay Penalty: \$104.13	\$4,537.19

<u>Tax Year</u>	<u>Dates of Assessment</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
2006	Assessment Date: 8/24/2009 Tax: \$9,802.00 Late Filing Penalty: \$2,205.45 Failure to Pay Penalty: \$1,349.51 Interest: \$1,777.20 Assessment Date: 11/7/2011 Failure to Pay Penalty: \$1,096.03	\$17,919.30
2007	Assessment Date: 8/17/2009 Tax: \$5,174.00 Late Filing Penalty: \$1,164.15 Failure to Pay Penalty: \$388.05 Interest: \$372.25 Assessment Date: 11/7/2011 Failure to Pay Penalty: \$905.45	\$8,825.55
2008	Assessment Date: 10/19/2009 Tax: \$2,746.00 Failure to Pay Penalty: \$75.11 Interest: \$44.43 Assessment Date: 11/7/2011 Failure to Pay Penalty: \$461.39	\$2,969.52

<u>Tax Year</u>	<u>Dates of Assessment</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
2009	Assessment Date: 6/7/2010 Tax: \$601.00 Failure to Pay Penalty: \$3.56 Interest: \$2.07 Assessment Date: 11/7/2011 Failure to Pay Penalty: \$58.73	\$493.08

15. Despite being sent proper and timely notices of the assessments and demands for payment of the taxes described in paragraph 14, Daniel K. Steele remains indebted for unpaid federal income taxes.

16. Interest and statutory additions continue to accrue on the assessments described in paragraph 14.

17. Daniel K. Steele is liable to the United States in the amount of \$62,181.03, including interest and statutory additions accruing after July 2, 2012.

WHEREFORE, Plaintiff, the United States, respectfully requests the following relief:

Judgment against Daniel K. Steele for \$62,181.03, plus interest and statutory additions accruing after July 2, 2012, until paid.

COUNT II: Heartland Security System's Federal Employment and Unemployment Taxes

18. A delegate of the Secretary of the Treasury timely made assessments against Daniel K. Steele, d/b/a Heartland Security Systems, LLC, for employment taxes and statutory additions for the tax quarters listed below:

<u>Tax Type</u>	<u>Period</u>	<u>Assessment Dates</u>	<u>Assessments</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
941	1 st Qtr. 2002	7/1/2002	Tax: \$3,634.92 Interest: \$37.23 Penalties: \$418.01	\$8,441.65
		8/5/2005	Penalties: \$181.75	
		4/17/2006	Penalties: \$854.21	
941	2 nd Qtr. 2002	7/25/2005	Tax: \$2,459.79 Interest: \$484.20 Penalties: \$996.21	\$5,978.67
		4/17/2006	Penalties: \$172.19	
941	3 rd Qtr. 2002	12/23/2002	Tax: \$1,216.38 Interest: \$10.64 Penalties: \$12.16	\$2,450.81
		4/17/2006	Penalties: \$291.94	
941	4 th Qtr. 2002	3/31/2003	Tax: \$767.45 Interest: \$6.23 Penalties: \$7.67	\$6,632.02
		4/25/2005	Tax: \$2,438.37	
		4/17/2006	Penalties: \$476.79	
		11/20/2006	Penalties: \$60.97	
		4/16/2007	Penalties: \$85.34	

<u>Tax Type</u>	<u>Period</u>	<u>Assessment Dates</u>	<u>Assessments</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
941	1 st Qtr. 2003	6/30/2003	Tax: \$737.58 Interest: \$6.19 Penalties: \$7.38	\$1,453.72
		4/17/2006	Tax: \$177.01	
941	4 th Qtr. 2003	4/5/2004	Tax: \$3,444.39 Interest: \$25.03 Penalties: \$396.11	\$7,403.07
		5/10/2004	Penalties: \$172.22	
		4/17/2006	Penalties: \$809.43	
941	2 nd Qtr. 2005	9/26/2005	Penalties: \$296.15	\$426.95
941	4 th Qtr. 2006	4/9/2007	Interest: \$2.14 Penalties: \$657.19	\$1,076.23
		5/14/2007	Penalties: \$7.12	
		11/23/2009	Penalties: \$33.48	
941	1 st Qtr. 2007	7/2/2007	Tax: \$10,714.46 Interest: \$111.10 Penalties: \$918.99	\$13,945.68
		8/6/2007	Penalties: \$399.56	
		11/23/2009	Penalties: \$1,877.98	

<u>Tax Type</u>	<u>Period</u>	<u>Assessment Dates</u>	<u>Assessments</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
941	2 nd Qtr. 2007	9/24/2007	Tax: \$11,282.18 Interest: \$101.71 Penalties: \$787.43	\$12,834.38
		10/29/2007	Penalties: \$419.39	
		4/7/2008	Penalties: \$438.05 Interest: \$342.86	
		11/23/2009	Penalties: \$1,342.13	
941	3 rd Qtr. 2007	1/7/2008	Tax: \$7,116.74 Interest: \$105.44 Penalties: \$818.42	\$12,013.41
		2/11/2008	Penalties: \$355.84	
		11/23/2009	Penalties: \$1,530.10	
		11/22/2010	Penalties: \$142.33	
941	4 th Qtr. 2007	3/31/2008	Tax: \$5,991.14 Interest: \$69.14 Penalties: \$659.02	\$9,927.26
		5/5/2008	Penalties: \$299.56	
		11/23/2009	Penalties: \$1,138.32	
		11/22/2010	Penalties: \$299.55	
941	1 st Qtr. 2008	6/23/2008	Tax: \$3,795.64 Interest: \$7.88 Penalties: \$13.70	\$2,001.02
		11/22/2010	Penalties: \$328.71	

<u>Tax Type</u>	<u>Period</u>	<u>Assessment Dates</u>	<u>Assessments</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
941	2 nd Qtr. 2008	9/15/2008	Tax: \$3,351.48 Interest: \$21.13 Penalties: \$368.66	\$5,426.52
		10/20/2008	Penalties: \$167.57	
		11/23/2009	Penalties: \$452.45	
		11/22/2010	Penalties: \$351.91	
941	3 rd Qtr. 2008	12/22/2008	Tax: \$1,441.84 Interest: \$5.80 Penalties: \$6.77	\$978.41
		11/22/2010	Penalties: \$148.97	
		11/21/2011	Penalties: \$13.54	
941	4 th Qtr. 2008	3/23/2009	Tax: \$1,015.50 Interest: \$7.12 Penalties: \$10.15	\$1,440.18
		11/22/2010	Penalties: \$198.02	
		11/21/2011	Penalties: \$45.70	
940	2001	3/18/2002	Tax: \$1,610.78 Interest: \$12.23 Penalties: \$5.05	\$3,378.89
		4/17/2006	Penalties: \$381.05	

<u>Tax Type</u>	<u>Period</u>	<u>Assessment Dates</u>	<u>Assessments</u>	<u>Account Balance Plus Accruals as of July 2, 2012</u>
940	2002	4/14/2003	Tax: \$936.17 Interest: \$9.41 Penalties: \$4.71	\$1,857.94
		4/17/2006	Penalties: \$216.89	
940	2007	3/10/2008	Tax: \$483.58 Interest: \$3.62 Penalties: \$4.84	\$715.15
		11/23/2009	Penalties: \$94.29	
		11/22/2010	Penalties: \$21.76	
940	2008	4/27/2009	Tax: \$202.60 Interest: \$2.25 Penalties: \$3.04	\$302.09
		11/22/2010	Penalties: \$37.48	
		11/21/2011	Penalties: \$10.13	
§ 6721	2001	10/18/2004	\$5,319.76	\$8,077.96
Total				\$136,803.62

19. Despite being sent proper notices of the assessments and demands for payment of the taxes and statutory additions described in paragraph 18, Daniel K. Steele, d/b/a Heartland Security Services, LLC, remains liable for unpaid federal employment ("Form 941") and unemployment ("Form 940") taxes, as well as a penalty for intentional failure to file information returns under 26 U.S.C. § 6721.

20. Interest and statutory additions continue to accrue on the assessments described in paragraph 18.

21. Daniel K. Steele, d/b/a Heartland is liable to the United States in the amount of \$136,803.62, including interest and statutory additions accruing after July 2, 2012.

WHEREFORE, Plaintiff, the United States, respectfully requests the following relief:

Judgment against Daniel K. Steele d/b/a Heartland Security Services, LLC, for \$136,803.62, plus interest and statutory additions accruing after July 2, 2012, until paid.

COUNT III: Foreclosure of Federal Tax Liens

22. The United States repeats the allegations contained in paragraphs 1 through 21 of this Complaint as if fully and separately restated herein.

23. The United States seeks to foreclose federal tax liens on real property located at 305 Greentree Road, Rolla, Missouri 65401 with the following legal description:

All of Lot 10 of Fox Creek, an addition to the City of Rolla, Missouri, (a Resubdivision of Ann's Acres Third and a fractional part of Lot 2 of the NW 1/4 of Sec. 7, Twp. 37N., Rng. 7 W.)

24. The United States seeks to foreclose federal tax liens on real property located at Sterling Hills Drive, Rolla, Missouri 65401 with the following legal description:

All of Lot 3 Grandview Estates, a Subdivision in a fractional part of the NE 1/4 of Sec. 29, Twp. 37N., Rng. 7 W., Phelps County, Missouri.

25. Federal tax liens arose on the dates of assessment described in paragraphs 14 and 18 under 26 U.S.C. §§ 6321 and 6322 and attached to all property and rights to property of Daniel K. Steele, including the real property described in paragraphs 23 and 24.

26. The United States filed notices of federal tax lien with the Phelps County, Missouri, Recorder of Deeds on August 14, 2006, January 4, 2010, and June 30, 2010, relating to Daniel K. Steele's federal income tax liabilities for 2001 and 2004-2009, described in paragraph 14 and encumbering the subject real property referenced in paragraphs 23 and 24.

27. The United States filed notices of federal tax lien with the Phelps County, Missouri, Recorder of Deeds on July 10, 2008, September 2, 2008, September 18, 2008, December 8, 2008, February 11, 2009, April 13, 2009, and May 18, 2009, relating to Daniel K. Steele's federal employment and unemployment tax liabilities for 2002-2003 and 2005-2008, described in paragraph 18 and encumbering the subject real property referenced in paragraphs 23 and 24.

28. Daniel K. and Judy Steele are the owners in fee simple of the subject real property described in paragraphs 23 and 24.

WHEREFORE, Plaintiff, the United States, respectfully requests the following relief:

a. A determination and declaration of judgment that the federal tax liens identified above attach to all property and rights to property of Daniel K. Steele;

b. A decree that the federal tax liens be foreclosed, that the subject real property be sold in a judicial sale, according to law, free and clear of any right, title, lien, claim or interest of any of the above-named defendants, and that the proceeds of the sale be distributed to such parties in such amounts as this Court determines;

- c. Judgment for court costs; and
- d. Such other relief as is just and equitable.

Dated: June 13, 2012.

Respectfully submitted,

RICHARD G. CALLAHAN
United States Attorney

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